Panyam Cements & Mineral Industries Ltd. (PANYAM) in its hearing held on 11th April, 1991.

(b) The scheme envisages capital expenditure, clearance of pressing creditors and statutory liabilities and lists a set of reliefs and concessions from financial institutions (IDBI, IFCI, ICICI, LIC, UTI and IRBI), Bank, (Banks of Baroda, Syndicate Bank, Canara Bank, Andhra Bank, Vijaya Bank, Karur Vyasa Bank), the State Government of Andhra Pradesh, State Government of Karnataka, Government of India and promoters/company. The Scheme projects that the net worth of the company would become positive in the year 1995-96 and the cumulative losses would get wiped off in the year 1997-98.

Extension of Period of Repayment Loan to Gujarat

7023. SHRI SHANKERSINH VAGHELA:
SHRI KASHIRAM RANA:

Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have received any proposal from the Government of Gujarat for extension of the period of repayment of loan granted to it under the Agricultural and Rural Debt Relief Scheme; and

(b) if so, the action taken by the Union Government thereon?

THE MINISTER OF STATE IN THE MINSTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b) Yes, Sir. A request was received from the State Government of Gujarat in November, 1990 seeking extension of the repayment period of the loan under the Agricultural and Rural Debt Relief (ARDR) Scheme, 1990 upto the end of VIII Plan period. The aforesaid loan was given by Reserve Bank of India (RBI) and National Bank for Agriculture & Rural Development (NABARD) at the stipulated terms and conditions to state Cooperative Government Banks and State Land Development Banks against State Government guarantees. After due consideration of the proposal by RBI, the State Government was informed that it was not possible to give any extension of the period of repayment of the loan beyond the stipulated period of 3 years.

Alleged Irregularities in New Bank of India

7024. SHRI MADAN LAL KHURANA: Will the Minister of FINANCE be pleased to state:

(a) whether the legal requirements of cash reserve ratio and statutory liquidity ratio were not maintained in the New Bank of India resulting in over-lending, cash losses etc. during 1990 and 1991.

(b) if so, the reasons therefor;

(c) how the Government propose to deal with the matter,

(d) whether the conditions prevailing in other banks have also been studied, and

(e) if so, the steps taken or proposed to be taken against the persons found guilty?

THE MINISTER OF STATE IN THE MINISTERY OF FINANCE (SHRI DALBIR SINGH): (a) No, Sir. Reserve Bank of India (RBI) have reported that New Bank of India complied with statutory requirements regarding maintenance of Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) during the period from April, 1989 to March, 1991.

(b) and (c): Do not arise.

(d) and (e) RBI keeps continual watch on the maintenance of CRR and SLR requirements by banks. In case of default, penal interest is charged from the defaulting banks depending on the duration of default.

[Translation]

Chit Fund Companies

7025. SHRI SANTOSH KUMAR GANGWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the functioning of the Chit Fund Companies has been reviewed;

(b) if so, the details thereof;

(c) the total amount deposited by the public in these companies at present;

(d) whether any cases of embezzlement and irregularities have been brought to the notice of the Government during the last three years;

(e) if so, the details thereof; and

(f) the steps taken or proposed to be taken by the Government to check such irregularities and ensure the safety of public money deposited in these companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) (a) No, Sir.

(b) Does not arise.

(c) Reserve Bank of India (RBI) have reported that total deposits of the reporting Chit Fund Companies aggregated to Rs. 876 crores as on 31-3-90, out of which only Rs. 1 crore were public deposits.

(d) RBI have further reported that cases of irregularities in regard to the public deposits held with such companies are rare and no such case has come to their notice during the last three years.

(e) and (f). Do not arise.

[English]

Export Incentives to Big Business Houses

7026. SHRI INDRAJIT GUPTA: SHRI SANAT KUMAR MANDAL:

Will the Minister of COMMERCE be pleased to state:

(a) whether according to a study made by the Institute for Studies in Industrial development (ISID) the export incentives extended to big business houses have turned them into traders instead of making them more competitive;

(b) whether the Government have studied the said report; and

(c) if so, the action proposed to be taken by the Government in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) to (c). Yes, Sir. ISID has so stated in their report. However, it may be stated that under the existing Import & Export Policy, there is no stipulation to the effect that one can export goods of ones own manufacture only. However, in terms of new trade policy announced recently, imports have been linked with the exports in the case of large scale and PMP Units. Large Scale Units will no longer be eligible for the grant of special licences for the import of their requirements of raw materials, components and consumables etc. Similarly, PMP Units will not be eligible for import of their requirements of OGL items of